

Almost one in four people in the EU live at risk of poverty or social exclusion. Living conditions, poverty levels and pathways into and out of poverty are different for women and men and also vary across the span of a person's life. Young people (18-24) make up 10 % of all poor in the EU (1). While the risk of poverty or social exclusion does not differ much for women and men at this stage of life, women are clearly paying the price of gender inequalities at an older age. They are at a much higher risk of poverty or social exclusion than older men.

Tackling poverty over the life course

The eradication of poverty and social exclusion is an integral part of the Europe 2020 strategy. This commitment aims to lift at least 20 million people out of poverty by 2020. However, Member States face challenges in meeting this target. The number of people living in poverty has actually increased since 2010.

Women in general are at a higher risk of poverty in all age groups. Over the course of their lives they receive lower income than men, are more likely to work in low paid and insecure jobs and take career breaks due to caring responsibilities. These lifelong inequalities eventually lead to income gaps, economic dependence and a higher risk of poverty, which become most apparent in old age. This is particularly concerning, as women make up most of the ageing population across the EU.

The life course perspective recognises the linkages between different stages in a person's life and considers how life's twists and turns build on each other to influence each additional stage.

EU policies acknowledge the impact that cumulative inequalities have on older women's risk of poverty and economic dependence. The European Commission has taken important steps to close the gender pension gap. It has also invited Member States to address women's higher prevalence of part-time work and relatively low earnings progression, as these can have a detrimental effect on pension entitlements. These policy initiatives show that integrating a life-course and gender perspective in all stages of policymaking is essential for making equality between women and men a reality in the EU and beyond.

(1) The source of all the data presented in the factsheet is from Eurostat surveys (EU-LFS or EU-SILC), 2014, unless referenced otherwise.



What does it mean to be poor in the EU?

Poverty among women and men goes beyond a basic lack of resources for survival and extends to the deprivation of civil, social and cultural activities as well as opportunities for political engagement and social mobility. Within the Europe 2020 framework, the concept of 'at risk of poverty or social exclusion' (AROPE) refers to living in a household which is in at least one of three situations:

- Being at risk of monetary poverty;
- Being severely materially deprived;
- Living in households with very low work intensity.

Young people in the EU face the highest risk of poverty

Growing up poor can have lifelong impacts. In the EU today, almost one fifth of poor people (19 %) are children below the age of 16. This is equivalent to almost 23 million children living in poor households.

Young women and men have been particularly affected by the economic crisis, and consequently face the highest risk of poverty in the EU. In 2014, about a third of youth aged 18 to 24 were at risk of poverty or social exclusion, with women slightly more at risk.

Many young people are likely to experience difficulties finding work after completing their studies. The unemployment rate of young people (15-24) is dramatically high at around 20 % for both women and men (23 % for men and 21 % for women in 2014) compared to 10 % for the total population.

Even when working, many young people remain poor. They are more likely to be in precarious jobs than other age groups, particularly if they left school early. Almost half of women and over a third of men aged 20 to 24 (excluding students) are in precarious employment ^(?). In 2014, the rate of people who were working and still at risk of monetary poverty (in-work poverty) was 15 % for young women and 12 % for young men aged 18 to 24. These figures represent the highest in-work poverty rate among all age groups. Young people who still live with their parents, or are financially supported by them are better protected from poverty.



The gender gap in poverty starts to increase at an older age and is highest among people aged 75 and over

Older women faced with lifetime inequalities

The gender gap in poverty starts to increase at an older age and is highest among people aged 75 and over (22 % of women compared to 15 % of men live at risk of poverty or social exclusion). Over a lifetime, gender inequalities systematically undermine women’s economic independence, making them far more likely to fall into poverty later in life. Women face a variety of challenges in the labour market including but not limited to:

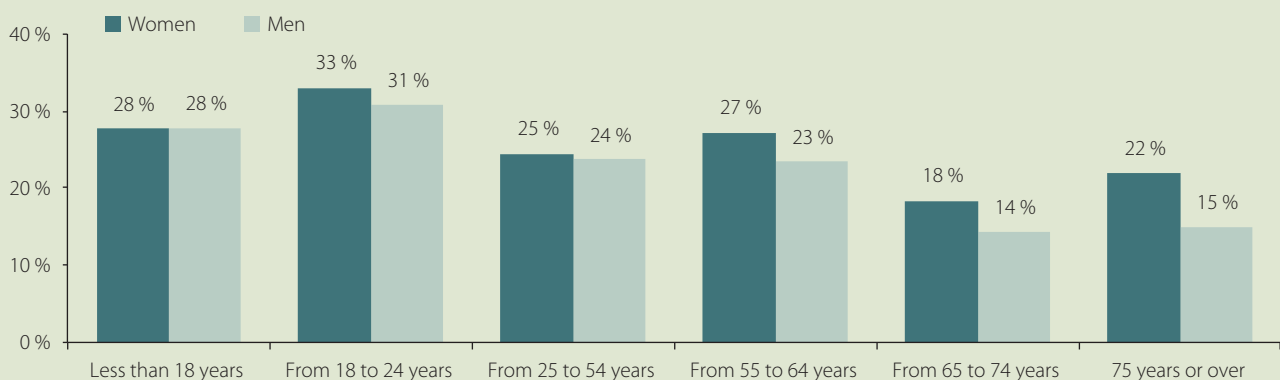
- An average employment rate consistently below that of men;
- High chance of being engaged in part-time work (32 % for women versus 8 % for men);
- Over-representation in sectors that are usually less well paid and have limited career opportunities or slow increases in earnings;
- Higher risk of being in precarious employment.

Furthermore, women leave the job market at an earlier age than men, in especially big numbers before retirement age (the inactivity rate of women aged 55-64 is 52 %, while for men in this age group it is 36 %).

Care and other family responsibilities, which are often not compensated, undervalued and unequally distributed, have a major impact on women’s position in the labour market. This applies throughout their working lives, even at an older age. Nearly 10 % of women aged 50 and over indicate that because of family or care responsibilities they are out of the labour market and not seeking a job. The working life of women in the EU-28 is 5.1 years shorter than the working life of men. This is due to career breaks during the working life, but also to an earlier exit from the labour market.

^(?) EIGE (2017, forthcoming), Gender, skills and precarious work in the EU, Research note.

Figure 1 - At-risk-of-poverty or social exclusion rate (AROPE) by gender and age group (EU-28, 2014)



Source: Eurostat, EU-SILC (ilc_peps01).

These working conditions and career patterns lead to limited economic independence for women throughout their lives, but especially at an older age, and consequently to lower pensions. In 2014, the average gender gap in pensions in the EU was as high as 40 % ^(*).

Another factor pushing older people out of the labour market is ageism — discrimination against a person on the basis of their age, which in combination with sexism creates at least a double challenge for older women.

What can be done to reduce the risk of poverty of older women?

Increase economic independence of women over the life cycle

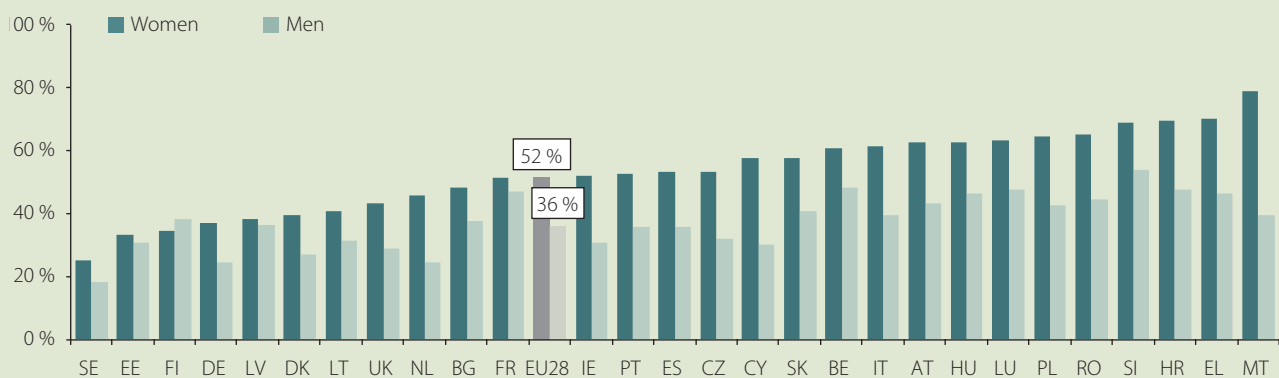
Gender inequalities in the labour market, the lack of work-life balance measures and unequal sharing and undervaluation of unpaid care and domestic work that systematically undermine women’s economic independence need to be addressed. The effect of lifelong inequalities women experience throughout their lives is particularly apparent at an older age when far more women than men are exposed to the risk of poverty and social exclusion. The integration of gender and a life course perspective in policymaking is key to increasing women’s economic independence and combatting lifelong inequalities in the long run.

The **Think, Act, Report** initiative was designed to prevent discrimination in the workplace, including age and gender discrimination. It was put forward by the British government and is one of the good practices identified by EIGE. It encourages companies to think about gender equality in their workforce, particularly in relation to recruitment, retention, promotion and pay. For more information on good practices, see EIGE’s website.



^(*) European Commission (2016), *Report on Equality between Women and Men 2015*, available at: http://ec.europa.eu/justice/gender-equality/files/annual_reports/2016_annual_report_2015_web_en.pdf

Figure 2 - Inactivity of older people by gender (aged 55-64, 2014)



Source: Eurostat, LFS (lfsa_ipga).

Adjust social protection systems in line with current challenges

Social protection systems and anti-poverty policies need to tackle new challenges such as the ageing population, changing family structures, new migration flows, as well as changing forms and conditions of employment. They have to guarantee sufficient economic protection, not just for traditional forms of employment over the life-course, but also consider those engaged in unpaid care work, non-standard or precarious employment, and those affected by career interruptions due to care responsibilities.

The annual review of the EU's economic policies (European Semester process) provides an opportunity to further strengthen gender equality over the life course by addressing gender inequalities in pension systems. An example could be adequately crediting care periods for both women and men and ensuring that those who are self-employed, inactive, unemployed or in atypical employment have equal access to state pension schemes. Security at an old age also requires improvement in the availability of and access to publicly provided social services, including health care and long-term care.

Foster synergies within and across different policy areas

The causes and experiences of poverty vary greatly across different groups of women and men, such as young and

old, migrant population, lone parents, Roma, or people with disabilities. Different policies can reinforce each other and therefore stronger synergies between anti-poverty strategies and economic and social policies such as gender equality, employment, taxation, family and housing policies could help tackle the root causes of poverty and social exclusion more effectively. For example, the provision of unemployment benefits can better protect people against poverty when complemented by measures that help individuals reintegrate into the labour market. These can be further strengthened by the provision of care services, for children, older dependants, ill or disabled people.

Where to find more information from EIGE

- **Gender Mainstreaming Platform** provides guidance and tools for policymakers looking to mainstream a gender perspective into anti-poverty policies. There is a specific section dedicated to 'poverty'.
- **Gender Statistics Database** has the latest figures on gender and poverty in the EU. Data is comparable across Member States.
- **Resource and Documentation Centre** provides links to publications on poverty over the life cycle. They are easily found using the keyword search function.

EIGE regularly produces reports reviewing different areas of the Beijing Platform for Action (BPfA), as requested by the presidencies of the Council of the European Union. This fact sheet is based on the report *Poverty, gender and intersecting inequalities in the EU* prepared at the request of the Slovak Presidency (2016). It explores progress between 2007 and 2014 in the alleviation of poverty of women compared to men as well as of specific at-risk groups, such as lone parents, persons with disabilities, migrants and Roma people.

Other most recent reports include:

- Gender Equality in power and decision-making (2016);
- Gender gap in pensions in the EU (2015);
- Gender equality and economic independence: part-time work and self-employment (2014).

You can explore all of EIGE's previous BPfA reports and publications at <http://eige.europa.eu/monitoring-the-bpfa>



European Institute for Gender Equality

The European Institute for Gender Equality (EIGE) is the EU knowledge centre on gender equality. EIGE supports policymakers and all relevant institutions in their efforts to make equality between women and men a reality for all Europeans by providing them with specific expertise and comparable and reliable data on gender equality in Europe.

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